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January 10, 2024

Spring Lake Township
Attn: Melissa Hanson
20381 Fairlawn Avenue
Prior Lake, MN 55372

Re: Orderly Annexation Agreement Considerations

Dear Ms. Hanson:

Thank you for sending your response letter dated January 4, 2024. City staff had an opportunity to review and discuss the letter with our City Council annexation liaisons. City comments below are intended to summarize our understanding of the framework for a new orderly annexation agreement and respond to the township requests for clarification.

Planning and Zoning: We are pleased to hear the Township would agree to a delegation of planning and land use authority to the City. The City appreciates the Township's desire for more flexible language in city code related to accessory structures and animal unit density in the OAA and although the City cannot commit to the exact language in a future agreement, the City is intent on working with the Township to identify acceptable language to both parties as the annexation agreement is being developed. The City would not entertain a continuation of the Orderly Annexation Board but would welcome input, correspondence, and testimony from the Township in support of or in opposition to any requests which would come before the City of Prior Lake in the future.

Roads: The City is open to an updated road agreement to address current and future road concerns. The road agreement currently in place is in effect through the end of 2024. The City remains committed to working with the Township on this item. We do not believe this is the Township's intent, but to clarify, any updated road agreement would not be required prior to entering into a new Orderly Annexation Agreement. Due to the anticipated timing of annexation of Areas 24.1, 24.2, and 24.3, the City and Township are not in a position to wait for a road agreement to be signed as a condition of annexation agreement approval.

Phasing: The intent of the phasing plan is to ensure properties that are annexed to the City of Prior Lake receive municipal services within two years. Upon additional staff conversations and research, we do not believe it will be necessary to further subdivide large parcels of land prior to development.

City Staff conducted a high-level analysis of the parcels within the proposed annexation area and found of the approximate 1,915 acres in the proposed OAA, 1,180 acres are currently enrolled in the Green Acres program which would result in little to no property tax impact whether the parcels are in the City or Township. In addition, the City would not envision a need to further subdivide large tracts of land as 23 of the 29 total parcels greater than 20 acres in size are already enrolled in Green Acres.

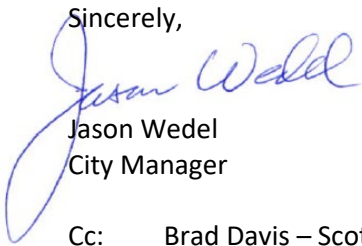


The City supports the Board's direction to conduct an open house to discuss the potential annexation agreement; the City would recommend a joint City/Township open house event. It is our understanding that any orderly annexation agreement would require a public hearing prior to approval.

As discussed previously, due to the timeline associated with the annexations of areas 24.1, 24.2, and 24.3, the City must continue to pursue annexation of those areas until such time as a new orderly annexation agreement is approved. The current schedule includes City Council consideration of an annexation resolution on February 27th and submittal to the State annexation board later in March. With this annexation schedule in mind, the City and Township would need to come to an agreement on the new annexation agreement on or before March 1, 2024.

Please let me know if the above terms are acceptable and I will direct our City Attorney to prepare and present a draft orderly annexation agreement to the Township Attorney.

Sincerely,



Jason Wedel
City Manager

- Cc: Brad Davis – Scott County
Lisa Freese – Scott County
Barry Stock – Scott County CDA
Jo Foust – Scott County CDA
Matt Stordahl – Township Engineer